



CITY OF SANTA BARBARA

FINANCE COMMITTEE AGENDA REPORT

AGENDA DATE: January 29, 2008

TO: Finance Committee

FROM: Planning Division, Community Development Department

SUBJECT: Budget Adjustment Request For *Plan Santa Barbara* Environmental Review

RECOMMENDATION: That the Finance Committee provide direction to staff and recommend that City Council allocate \$466,713 to the Community Development *Plan Santa Barbara* Program from the following funding sources:

1. \$233,357 from General Fund Reserves (to be reimbursed by General Plan Update fee); and
2. \$233,356 from Streets Capital Program.

DISCUSSION:

***Plan Santa Barbara* Environmental Review**

Approval of General Plan policy documents is subject to environmental review under the California Environmental Quality Act (CEQA).

The Planning Division, in coordination with the Transportation Planning Division, has completed the following steps toward retaining an environmental consulting team to prepare the *Plan Santa Barbara* citywide Program Environmental Impact Report (EIR), and provide transportation planning expertise to assist staff in evaluating alternative land use and transportation policies.

- In September 2007, the City Planning and Transportation Planning Divisions issued a Request for Qualifications (RFQ) to selected transportation consulting firms and also posted notice of the RFQ at a consultant on-line web site. Based on review of Statements of Qualifications (SOQ) received, the staff selection committee identified

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a preferred transportation consultant to be a subconsultant for the *Plan Santa Barbara* EIR consultant team.

- In October 2007, the Planning Division also issued a separate RFQ to a broad list of environmental consulting firms across the state to gauge interest and qualifications of firms and teams to be the prime contractor to prepare the *Plan Santa Barbara* EIR.
- In November 2007, based on staff selection committee review of SOQs submitted, the Planning Division sent a Request for Proposals (RFP) to selected environmental consulting firms, with direction that they team with the selected transportation firm.
- In December 2007, based on review of the proposals received, the staff selection committee identified the preferred EIR consultant team.
- In January 2008, Planning and Transportation Planning staff has been in contract negotiations to refine the consultant team, scope of work, budget, and schedule. The total consultant contract budget would be \$1,135,377. This amount includes the cost of preparing the Program EIR (including Administrative Draft, Public Review Draft, Administrative Final, Final/Response to Public Comments, Certified Final, Technical Appendices), and a transportation model and analysis.

In order to expedite initiation of work (including preparation to conduct traffic counts in March), staff will proceed with a Purchase Order with the consultant for approximately \$9,500 to begin initial tasks immediately. The remaining balance of costs of approximately \$1,125,877 will be part of the EIR contract brought to City Council for approval.

The existing budget for *Plan Santa Barbara* Environmental Review is \$668,664, which was projected over four years ago. The actual consultant costs to accomplish the work would exceed this figure by \$466,713. This cost increase is in part due to the inclusion of a citywide traffic model and in part due to simply increased costs during the four intervening years. A contract and requested budget adjustments will be forwarded in late February for City Council approval.

Recommendations for Budget Augmentation and Funding Allocations

Funding of the added costs is proposed to be shared between Community Development/Planning and Public Works/Transportation (Streets Capital) funding sources, because the scope of work includes transportation modeling costs that not only will be used in complying with CEQA review for the *Plan Santa Barbara* EIR, but will also assist the Transportation Division in developing and evaluating transportation policy options, and will be available after the *Plan Santa Barbara* EIR for ongoing transportation planning and CEQA transportation review of individual development permit requests.

The EIR consultant contract would exceed the existing *Plan Santa Barbara* Environmental Review budget by \$466,713. Staff recommends that the budget be augmented by \$466,713, with allocations from the following funding sources:

- \$233,357 from General Fund Reserves (to be reimbursed by General Plan Update fee), and
- \$233,356 from Streets Capital Program.

Fee Reimbursement

A General Plan Update fee was established to reimburse costs of updating the City General Plan. The current 11% fee, levied on building permits for all new square feet of development, is adequate to cover the additional \$233,357 cost required for the *Plan Santa Barbara* EIR. When the 11% fee was adopted in 2004, an annual revenue projection of \$147,000 per year was calculated, to meet the total \$2.35 million cost over the 16-year life of the plan. During the three intervening years, building permit revenues have increased, which has resulted in average annual revenue of \$166,782 from the GPU fee. Building permit revenues are projected to continue to increase, which will accommodate the added \$233,357 cost for the *Plan Santa Barbara* EIR.

SUSTAINABILITY IMPACT:

The *Plan Santa Barbara* citywide Program EIR will assist the City in evaluating sustainability of the community, the effects of future development on sustainability, and potential land use and environmental policy changes to improve community sustainability. The EIR will include evaluation of impacts associated with air quality; archaeological and historical resources; biological resources; geologic and seismic conditions; hazards and hazardous materials; hydrology, flooding and water quality; noise; water, sewer, and waste disposal services; fire protection, police, schools, and parks facilities and services; traffic, circulation, and parking; visual aesthetics and open space; growth-inducing impacts; climate change and energy conservation.

PREPARED BY: Barbara R. Shelton, Project Planner/ Environmental Analyst

SUBMITTED BY: Dave Gustafson, Acting Community Development Director
Paul Casey, Acting Public Works Director

APPROVED BY: City Administrator's Office